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SUBJECT: Joint Weeka No. 19

Although the current week in Guatemala was lacking in major developments, tension persisted as Government and Opposition forces engaged in a war of nerves. The Opposition's clandestine radio transmitter continued to broadcast but with diminished effect due to Government jamming, and the anti-Communist students' committee prepared to resume their program over a private station in Guatemala City. For its part, the Government moved to strengthen its position by calling provincial police chiefs to the capital for instructions, reenforcing the garrison at Puerto Barrios and sporadically searching cars entering Guatemala City. In addition to its troubles with the Opposition, the Administration faced continued bickering in its own ranks and further disorders in the countryside connected with Agrarian Reform. Thirty-three politicians, including two leading Communists, were rewarded for their services to the regime by receiving valuable Government property at a small fraction of its real value.

Comment on the strike of fruit company laborers in Honduras and the expulsion of two Guatemalan Consuls from that country was unusually restrained, although the pro-Government press and the unions made clear their support for the strikers.

DOMESTIC AFFAIRS

Tension: There were numerous indications during the week that Government officials were nervous and were taking precautions against possible subversive movements. The despatch of two officers and fifty men to Puerto Barrios possibly indicated a fear of invasion from nearby Honduras and the examination of cars approaching the city is a measure usually taken when the authorities are fearful. In addition, Colonel Rogelio CRUZ Wer, Chief of the National Police (Guardia Civil) summoned all the police chiefs in the country to the capital where he talked with each one individually, demanding their absolute loyalty to the Administration and urging maximum activity to maintain order and maximum vigilance against any untoward act which might occur.

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He also instructed them to be watchful to prevent clashes in the country areas - an apparent reference to the agrarian reform disturbances which have been agitating the southeastern part of the country.

Rural Disorders: Although none of the recent agrarian disturbances seem to have approached the proportions of the "battle" between rival groups of peasants at El Saltirón, Department of Chiquimula on April 30 and May 1 (Weeka No. 18), there were reports of violence in the Departments of Santa Rosa and Escuintla and indications of dangerously heated tempers in other areas. In Santa Rosa, three policemen and one peasant were wounded in circumstances which seemed to suggest that the police detachment came off second best. Deputies Alejandro SILVA Falla, Héctor Virgilio CASTAÑEDA and Daniel VANEGAS, all of the Administration party FRG, toured the Departments of Jutiapa and Jalapa and subsequently reported to the Ministers of Agriculture and Interior and to Major Alfonso MARTINEZ, Chief of the National Agrarian Department, that "agrarian leaders" were inciting peasants to invade properties of small landowners whose farms were far under the minimum specified by the Agrarian Reform Law for expropriation. The Deputies prophesied tragic events in those areas unless remedial action were taken.

The events of April 29 and May 1 at El Saltirón continued to receive attention and reports circulated that approximately fifty peasants had been killed. The authorities, however, insisted that only six persons had died, four of them policemen. The Secretary General for Chiquimula of the pro-Administration party Renovación Nacional (RN), Héctor ESPAÑA Bracamonte, was arrested and brought to Guatemala City as the person primarily responsible for the riot, and Jaime DIAZ Rozzotto, Secretary General of the Presidency and a leader of an opposing faction of RN, charged that España and his partisans were in league with Colonel Carlos CASTILLO Armas, the exiled anti-Communist leader now in Honduras. Sr. España denied both allegations and asserted his arrest was part of an intrigue by Díaz Rozzotto and the Communists to steal the municipal elections in Chiquimula, scheduled for May 14, 15 and 16.

RN Remains Divided: Sr. España's colleagues of the FICN Garma wing of RN did not hasten to his defense although they too denied charges of association with Castillo Armas. They were engaged in an attempt to restore unity in the party and announced on May 7 that a new slate of officers acceptable to both factions had been agreed upon. This effort failed, however, when Díaz Rozzotto refused to recongize the new officers and several of his supporters who had been included on the unity slate withdrew. The ensuing exchange of insults between members of the two rival groups was more embarrassing than damaging to

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the Administration since RN is the smallest of the parties supporting the Arbenz regime.

Arbenz Rewards Henchmen: In a move to reward political supporters and insure their continued loyalty, the Arbenz Administration distributed building lots from the Government's property at La Aurora on the outskirts of Guatemala City to 33 civilian and military politicians at the nominal price of 10 cents per square meter. The land's current market value was estimated by the press at about $5.00 per square meter. Among those benefitting from this dispersion of the nation's assets were Víctor Manuel GUTIERREZ, Communist labor leader and Deputy in Congress; Ignacio ORTIZ, Communist, former Deputy; Julio ESTRADA de la Hoz, pro-Communist Secretary General of the administration party PAR; Roberto ALVARADO Fuentes, pro-Communist Ambassador to Mexico; and Humberto GONZALEZ Juárez, the President's Private Secretary and strongman of the PAR. This is the first instance of record when Gutiérrez, whose ascetic manner of life has earned him the nickname "The Franciscan," has accepted substantial personal favors from the Government.

PSYCHOLOGICAL

Honduran Strike: The press which reflects the views of the Guatemalan Government and which to a greater or lesser extent follows the Communist party line gave the expected backing to the workers of the United and Standard Fruit Companies who are on strike in Honduras, but the comments were surprisingly mild in tone in contrast with the campaigns of vilification normally unleashed against the large American companies. This was possibly due to a desire to avoid giving the impression of Guatemalan involvement with the events in the neighboring republic.

In addition to scattered press comment, several Guatemalan unions have sent messages of support for the strikers and the CGTG announced that next week the employees of the United Fruit Company in Guatemala would stage a symbolic 15-minute work stoppage to express their solidarity. A group of Honduran exiles of Communistic tendencies formed a committee to assist the strikers; this organization could possibly serve as a channel for transferring funds as well as a vehicle for propaganda.

The expulsion of two Guatemalan Consuls from Honduras was also passed over lightly, but the Communist organ Tribuna Popular was under no such restraint in its comments on Secretary Dulles' press statements inferentially linking Guatemala with the strike in Honduras. The Secretary received the full Communist treatment, which included such epithets as "liar," "provocateur," and "enemy of the workers."

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Opposition Propaganda Activities: The clandestine radio station which is part of the opposition's war of nerves against the Arbenz regime (Weeka No. 18), still stimulated interest and comment at the beginning of the week, but strong interference, undoubtedly from Government transmitters, later became so effective as to render the station virtually inaudible. On one occasion only ten minutes of the station's normal one hour broadcast could be heard in Guatemala City.

As the clandestine radio lessened in effectiveness, the opponents of the Administration regained an outlet previously lost by them when Radio Internacional, which was sacked by masked hoodlums on the night of April 21 (Weeka No. 16) agreed to resume broadcasting the hard-hitting anti-Communist program of the Anti-Communist University Students Committee (CEUA) despite the presumption that it was to silence this group that the raid had been staged. On the other hand, the authorities on Mar 11 confiscated an entire issue amounting to 4000 copies of the CEUA's weekly newspaper, provocatively titled El Rebelde. After at first denying knowledge of the act, the police later confirmed the confiscation, giving as reasons that the paper contained subversive propaganda against the present regime and further that the name of its director and printer did not appear on it as required by law.

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